EXHIBIT 29
(Part 1)

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Presentation to United States Attorneys Office, District of Massachusetts

Drug Price Reporting Fraud By Dey,Warrick, Roxanne, and Bristol Causes Injury to Medicare and Medicaid Programs

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The fraudulent inflation of drug price reports by certain pharmaceutical companies is costing the Medicare and Medicaid Programs hundreds of millions of dollars per year in excessive reimbursements.

The price manipulation is engaged in for the express purpose of creating financial inducements for Medicare and Medicaid providers to order more of the Defendants' drugs.

After conducting an exhaustive investigation, based in large part on evidence subpoenaed from VAC, Former House Commerce Committee Chairman Tom Bliley said the following in a September 25, 2000 letter to Alan F. Holmer, President of Pharmaceutical Research and Manufacturers of America:

"I will not tolerate taxpayers and Medicare beneficiaries being forced to subsidize the efforts of certain drug manufacturers to increase their sales. These drug manufacturers that are deliberately gaming the setting of reimbursement rates for such purposes must be held fully accountable."

Congressman Bill Thomas, Present Chairman of House Ways and Means Committee, Made the Following Statements At The Introduction of the Prescription Drug Security Act of 2000, Tuesday, June 13, 2000

"Fighting Medicare fraud has proven to be an investment in the health of America's seniors and the disabled. Reducing waste saves taxpayer dollars. When fraud is uncovered and prosecuted, Medicare works better for honest citizens, and more money becomes available for programs, like prescription drugs, that Americans really need."

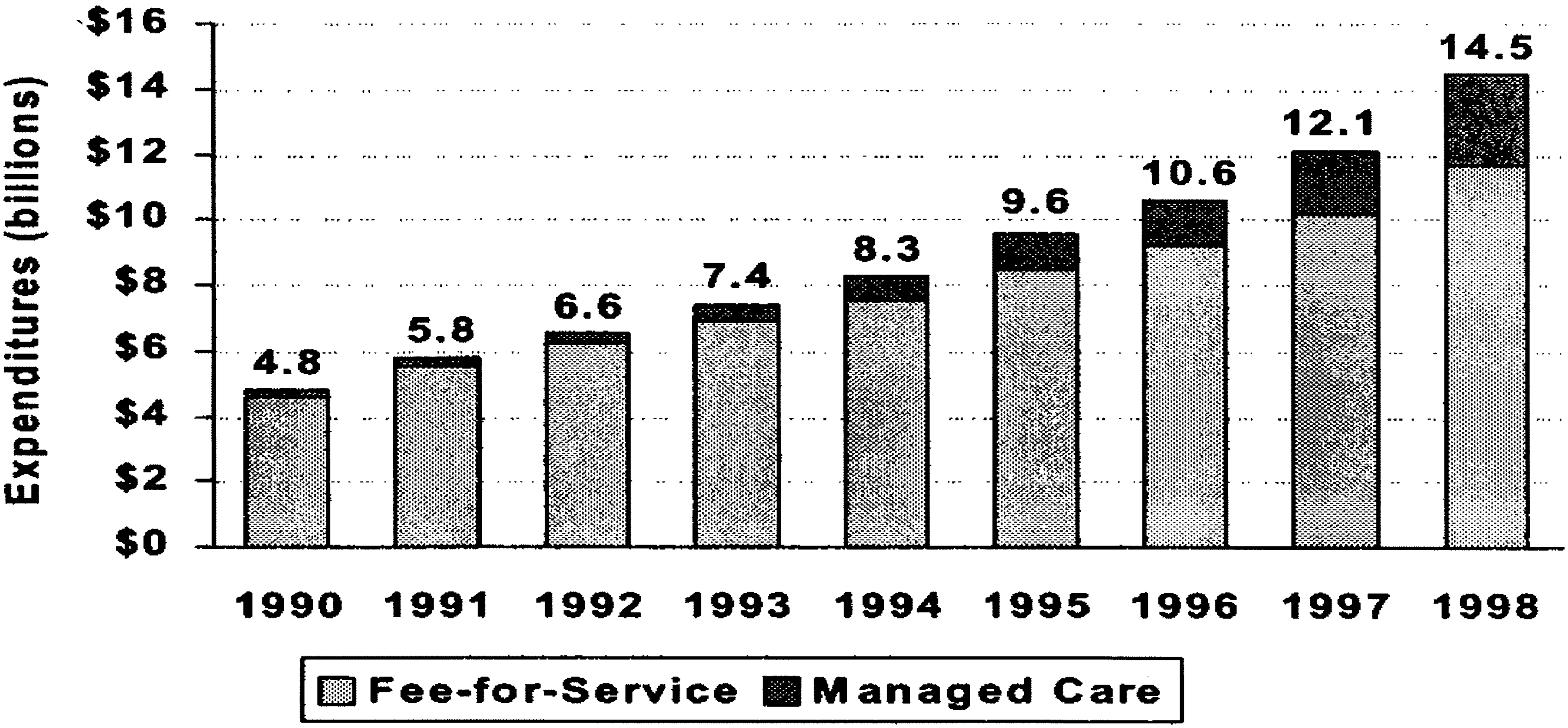
"Prescription drug costs have become a clear and present danger to the health and financial security of our nation's senior and disabled citizens"

Today's presentation will draw upon information and evidence relating to both the Medicare and Medicaid Programs to illustrate how Dey, Warrick, Roxanne and Bristol have inflated price reports in order to manipulate reimbursements.

We will also consider certain evidence relating to TAP and Abbott, defendants in other pending cases, that demonstrates the strong influence such price report manipulation has on independent medical decisions.

Figure 2

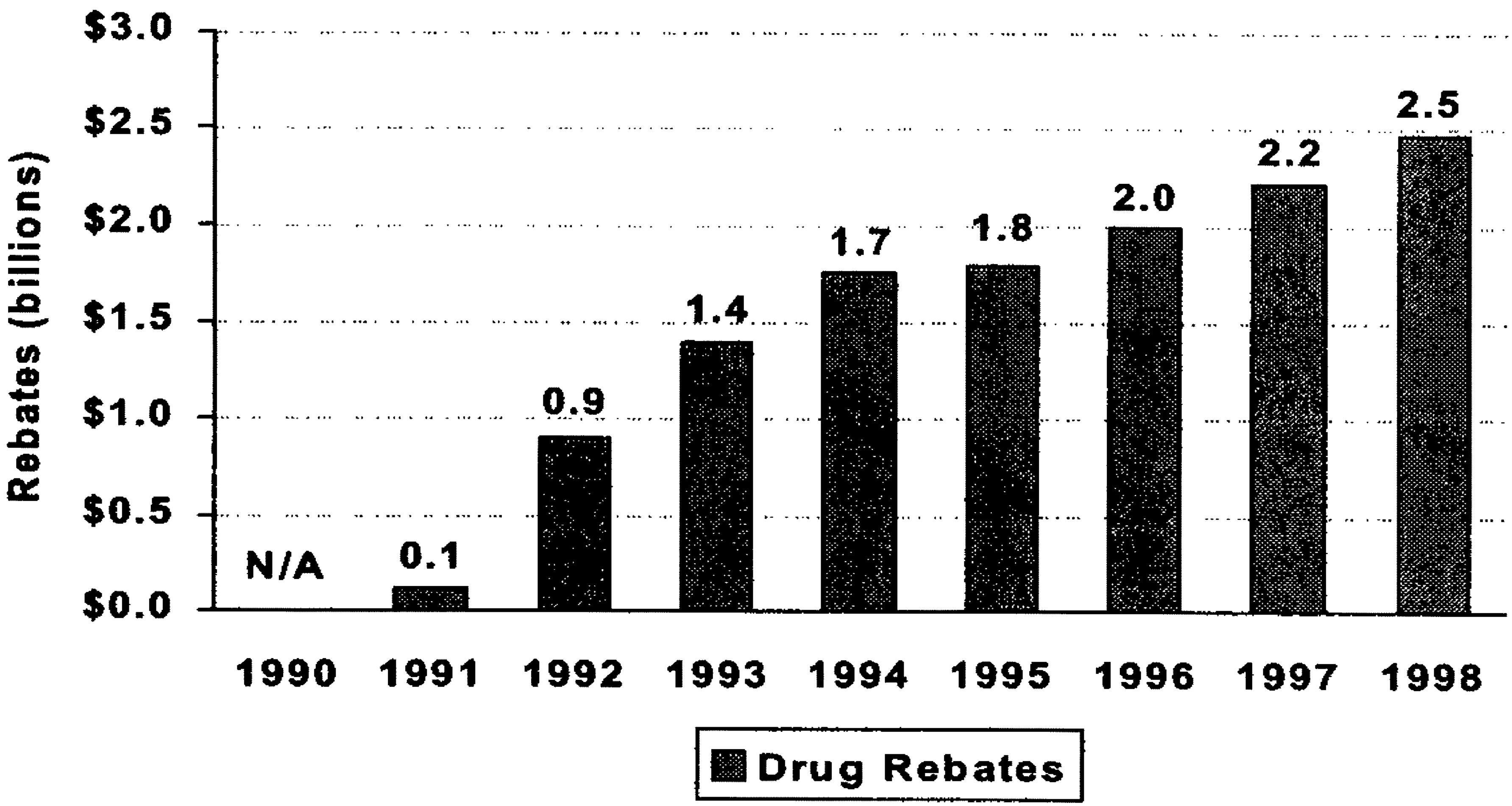
Estimated Medicaid Expenditures for Prescription Drugs, 1990-1998



Source: Urban Institute estimates (2000) based on data from HCFA-2082 and HCFA-64 reports. Data are for federal fiscal years (October-September). Fee-for-service drug expenditures have been reduced by the total state and federal drug rebates shown in Figure 2.

Figure 3

Medicaid Drug Rebates, 1990-1998



Source: Urban Institute estimates (2000) based on data from HCFA-64 reports.
State rebates are not reported separately on the source data from HCFA until 1993. After 1993, the amounts shown include both federal and state rebates. Prior to 1993, the amounts shown may only include federal rebates. Reported state rebate amounts are relatively small, ranging between $25 and $54 million nationwide from 1993 to 1998.

TAP's Lupron Pricing Conduct Provides An Excellent Example Of How Drug Price Misrepresentations Are Made For The Express Purpose Of Manipulating Medicare and Medicaid Reimbursement In Order To Induce Health Care Providers To Order More Of A Particular Drug

In May Of 1997, TAP Was Concerned About Losing Lupron Market Share To Competing Drugs Zoladex (Zeneca) and Decapepryl (Pharmacia-Upjohn). Each Of The Competing Drugs Is Administered By Urologists In The Treatment Of Prostatic Cancer As An Alternative To Orchiectomy Or Estrogen Administration.

TAP Clearly Intended To Financially Induce Its Urologist Customers To Order Medicare Reimbursed Lupron As Evidenced By The Following Excerpts From Tap Documents

"Physicians' return to practice is one of the most important reasons for use of Lupron Depot."

"At present Medicare most commonly allows physicians to charge Average Wholesale Price (AWP) for physician administered medications."

"TAP can change two factors that affects return to practice: price and quantity discounts"

"The current AWP of Lupron Depot 7.5 mg is $515.63, which is 20% higher than our list price of $412.50. The return to practice on a single kit of Lupron 7.5 mg purchased at list price is $103.13. The return to practice of Lupron 22.5 mg is three times that amount, $309.39."

"Physicians' return to practice is significantly increased by purchasing Lupron Depot at higher quantities and taking advantage of TAP's quantity discount program."

"To increase physicians' return to practice, TAP can either raise the price of Lupron Depot or increase the quantity discount percentages"

"Most offices now file Medicare forms electronically. The current J9217 Lupron Depot code can be used with a "3" or "4" in the units column. If Tap would have changed the pricing structure, we would have to use a miscellaneous code of J9999 …requiring a manual review of claims…"

“They will not have to submit invoices on what was paid, which is required when a J9999 is used….”

"If it becomes necessary to further differentiate the Lupron product line from its competitors, we could offer deeper discounts in the quantity discount program for Lupron 30 mg. This would make it more attractive to private physicians to switch from 3 month to 4 month."

The following are excerpts from TAP's internal memorandum describing its anticipated "Physician Information Folder" :

•Reimbursement Instructions asking offices to bill using Lupron Depot 7.5 code, J9217 x 4 units

- **Pricing information providing a list price of $1650. TAP keeps the same 90 day payment terms. This is done to instill confidence that the time frame for Medicare reimbursement is expected to be the same, within 45 days. The quantity discount pricing is not officially published, but is presented by the representative since converting to one month units can be confusing.**

TAP prepared the following document to inform urologists of the profits created by TAP's reporting inflated AWPs for Lupron

Increasing Income by adopting Uniformity........using Lupron

- If all patients were on Lupron using the aforementioned scenario, you'd be utilizing 60 vials of Lupron per month.

The return to practice would look like this:

AWP: $496.25
AP: $361.62
RTP: $134.63
x 65 patients
$8,750.95 / month
x 12 months
$105,011.40 annually

LUPRON DEPOT: UROKARE NETWORK RETURN TO PRACTICE

	Lupron 7.5mg:	Zoladex 3.6mg:	Lupron 22.5mg:	Zoladex 10.8mg:
AWP:	$515.63	$410.51	$1,546.89	$1,231.52
-Network Cost:	$317.50*	$267.02**	$ 952.50*	$ 831.44 **
Return Per Vial:	$198.13	$143.49	$ 594.39	$ 400.08

*Lupron price is based on a collective UroKare volume of 500 units per monthly order.

**Zoladex cost is based on a volume discount for 24-47 units per order.

# Patients:	Lupron Return Per Year:
1-9	$2,377.56 - $21,398.04
10-19	$23,775.60 - $45,173.64
20-29	$47,551.20 - $68,949.24
30-39	$71,326.80 - $92,724.84
40-49	$95,102.40 - $116,500.44
50-59	$118,878.00 - $140,276.04
60-69	$142,653.60 - $164,051.64
70-79	$166,429.20 - $187,827.24
80-89	$190,204.80 - $211,602.84
90-99	$213,980.40 - $235,378.44
100 +	$237,756.00 +

As we have also discussed, Northwest Iowa Urology is very upset about the allowable not going up. I personally met with the doctors to discuss this issue 4/17. The physicians have started using Zoladex but would stop if the allowable issue was taken care of. NWI Urology has 180 pts on Lupron. They've never used Zoladex before and Pat Rogers has 99% Lupron marketshare in his area.

Are false inflations of price an industry standard ?

Congressman Stark's letter dated October 10, 2000 to Sidney Taurel, CEO of Eli Lilly & Co. states:

It has been reported in the press that some drug companies consider the false and deceptive conduct exposed by Congressional investigations as consistent with the "industry standard" . . . I would like to know if you believe that the conduct outlined in the PhRMA letter represents your industry's standard.

Lilly's response dated November 17, 2000 was:

I can speak with authority as to the practices of Lilly and tell you that we have not engaged in false or deceptive marketing practices intended to manipulate or inflate the prices of our drugs. We compete here in the U.S. in a vibrant marketplace in which prices are determined by the relative therapeutic benefits of our products as well as the competitive market forces within the healthcare distribution chain. We promote our products based on their therapeutic benefits and overall medical value.

--Sidney Taurel, Chairman of the Board, President, and CEO, Eli Lilly and Company

UNITED STATES v. JOSE "PEPE" ARIAS, ET AL.

On August 24, 2000, a Miami grand jury returned an eighty-three count indictment charging seven durable medical equipment (DME) company owners, eight pharmacy owners and pharmacists, and eight professional patients, with engaging in a Medicare fraud and kickback scheme seeking to defraud the Medicare program of in excess of $14 million.

The indictment charged Jose "Pepe" Arias, 42, Idania C. Arais, 36, Grisel Arias, 40, Dalia Landrove, 49, Reinaldo Hector Landrove, 62, Evaristo Jerez, 36, and Mercedes Jerez, 34, all of Miami, Florida, all owners of various of DME companies, with conspiracy to defraud Medicare with the following pharmacy owners and pharmacists: Miriam Magaly Castillion, 50, Carlos Amador , 29, and Leslie Addison, 42, all of Miami Pharmacy, Marco Burgos, 40, Suzanne Burgos, 37, of South Beach Pharmacy, and Michael Iheagwara, 39, Azubueza Ikejiani, 48, and Magnus Ogbenna, 41, of MAZ Pharmacy.

The indictment also charged the following professional patients for participating in the scheme to defraud Medicare by offering the use of their Medicare cards in exchange for kickbacks: Angela Nodarse, 75, Orlando Espinosa, 70, Salvador Rodriguez, 76, Elio Fernandez, 74, Alfredo Casillas , 51, Miguel Diaz, 41, Juan Sanchez, 72, and Lilia Gonzalez , 80. The professional patients alone accounted for more than $250,000 in fraudulent billing.

The indictment is a culmination of a joint state and federal investigation into health clinic, pharmacy and DME fraud in the Miami area.

The scheme involved multiple DME companies and clinics controlled by Jose "Pepe" Arias and his family members, who would pay kickbacks to Medicare beneficiaries to be seen by physicians employed at Jose "Pepe" Arias' clinics, where they were "diagnosed" with chronic obstructive pulmonary disease (COPD).

The DME companies controlled by Jose "Pepe" Arias would then, in collusion with Miami Pharmacy, MAZ Pharmacy and South Beach Pharmacy, submit millions of dollars in claims to Medicare for nebulizers and adulterated aerosol medications purportedly delivered to the beneficiaries.

Jose "Pepe" Arias would provide kickbacks to beneficiaries in the form of cash, food and gifts.

WASHINGTON, D.C. -- One of the nation's largest suppliers of durable medical equipment and three health care providers will pay the United States more than $2 million to settle allegations they sought to defraud the Medicare program through sham contracts and kickbacks, the Department of Justice announced today. Assistant Attorney General Frank W. Hunger of the Civil Division and U.S. Attorney Kent B. Alexander of Atlanta, Georgia, said Apria Healthcare Group Inc. will pay the United States $1,650,000 and Georgia Lung Associates, a group of four physicians practicing in Austell, Georgia, will pay $346,000.

The United States alleged that Apria entered into sham consulting contracts with Georgia Lung and other physicians in order to induce referrals.

Georgia Lung, for example, referred Medicare patients to Apria for oxygen supplies. The agreement settles claims that Apria and Georgia Lung defrauded Medicare by billing for patients referred pursuant to the kickback scheme.

Wall Street Journal, Wednesday June 21, 2000

Washington- In a report to be released today, federal investigators find that Medicare pays "excessive" prices- seven times what the Department of Veteran Affairs pays and far more than retail customers pay- for the asthma drug albuterol.

The reimbursement amount is generally 95% of the average wholesale price, as listed in industry guidebooks.

But investigators say the average wholesale prices are sometimes inflated by drug makers, which sell the products to physicians and other providers at deep discounts. That gives providers an incentive to buy drugs that produce the biggest revenue.

Washington, June 21(Bloomberg)-

Medicare would save taxpayers $47 million a year if it bought a widely used asthma drug from Wal-Mart or Drug Emporium drug store instead of paying the pharmaceutical industry sticker price- a report said.

"Medicare could save between **$47 million and $209 million** by lowering its reimbursement amount for albuterol to prices available through other sources," the report says. "Twenty percent of these savings would directly benefit Medicare beneficiaries through reduced co-payments."

Makers of albuterol include Schering-Plough Corp.